



2005 - 2006 MEDICAL SUBSIDY RATES

What is the NHRS Medical Subsidy?

The New Hampshire Retirement System's (NHRS) Health Insurance Medical Subsidy is a monthly payment made by NHRS to an eligible retiree's former employer, which will be applied toward the cost of the retiree's health insurance premium. This benefit is available to eligible members, their spouses and their certifiably disabled dependent children. Eligible members include:

- ◆ Group I members (teachers and employees of school districts and municipalities) who retire on or before July 1, 2008. The member would be eligible at age 60 with at least twenty (20) years of creditable service, or at age 55 with at least thirty (30) years of creditable service.
- ◆ Group II members (Police Officers and Firefighters) who became an active or retired Group II member as of June 30, 2000 and who retire with a minimum of 20 years of Group II creditable service, or who retire at age 60 with no minimum service, or who retire on Ordinary Disability. Group II members who retire on Accidental Disability are eligible for the subsidy if they became Group II members before July 1, 2005.

The retiree is responsible for any balance due if the Medical Subsidy does not cover the entire cost for the premium.

Medical Subsidy Rates

Listed below are the Medical Subsidy Rates for July 1, 2005 through June 30, 2006, which increase 8% every year:

Retiree Plan (until Medicare eligible)		Medicare Supplemental Plan (age 65+)	
1 Person	\$321.98	1 Person	\$203.06
2 Person	\$643.96	2 Person	\$406.12

Change in Marital/Family Status

A qualified spouse will become ineligible for the subsidy if the retired member divorces or if the surviving spouse, who is receiving a pension, remarries. **IMPORTANT:** NHRS and the former employer *must* be notified of these changes. They must also be notified upon the death of a qualified spouse or beneficiary. Failure to notify NHRS may result in a recovery of overpaid subsidy benefits.

MEDICARE AND YOU

Medicare is a federal health insurance program that begins at age 65 even though eligibility for Social Security benefits may not begin until a later date. You are eligible for Medicare if you or your spouse worked for at least 10 years in Medicare-covered employment, you are 65 years old, and you are a citizen or permanent resident of the United States. If you did not work in Medicare-covered employment, you may be eligible for Medicare through a spouse or former spouse.

Part A pays for most hospital, home health, hospice and skilled nursing facility services. Part B is an optional supplementary medical insurance plan that pays a percentage of your approved doctors' bills, medical equipment and certain outpatient services. There is a monthly premium charge for Part B coverage. You may enroll in Part B upon Medicare eligibility: when you

turn age 65 and are retired *or* upon leaving full-time employment at age 65 or older.

If you do not enroll in Part B when you are initially eligible, you may have to pay an increased premium, and it is also possible that you may have a delayed enrollment date. More significantly, you will be required to pay the portion of Part B-covered claims that Medicare would have paid.

When you become eligible for Medicare, your NHRS Medical Subsidy payment reduces to the Medicare rate and will be paid toward the cost of a Medicare Supplemental Plan. If you are married, your spouse will receive the appropriate Medical Subsidy rate based on his/her age.

For information about Medicare, call (800) 633-4227 or visit the Medicare web site at www.medicare.gov.

COLAs

2005 - 2006

When cost-of-living adjustments (COLAs) are granted by the Fiscal Committee of the New Hampshire Legislature, they are compounded and become a permanent addition to a retired member's pension. COLA amounts range from 1% to 5%.

Any member (employee, teacher, firefighter or police officer) who has been retired for at least 12 months as of July 1st will receive a COLA. The COLA will be retroactive to the member's most recent retirement anniversary date. Any beneficiary of such a member is also eligible. The COLA and any retroactive payment will be included in the July pension check (issued on July 29, 2005).

COLAs

Effective July 1, 2005 - June 30, 2006

Teacher, Employee and Police – 1%

Firefighters – 1.5%

For example, a member who retired on July 1, 2004 will be eligible for the COLA and will see the increase in the July pension check. That member will see no retroactive payment because July is that member's retirement anniversary date. However, a member who retired on March 1, 2004 has been retired for 16 months. Effective July 1, 2005, that member is eligible for a COLA. That member's July pension check will include the COLA as well as a one-time retroactive payment of the COLA back to March 1, 2005, which is that member's most recent retirement anniversary date.

Retired members who are eligible for a *retroactive* COLA payment will notice that the amount of their July pension check will be greater than the amount of subsequent checks. Also, any changes in the amount of a pension check due to COLAs and retroactive payments will affect the amount of federal income tax withholding.

If you have questions regarding COLAs, please contact an annuity representative, at (603) 271-3351 or toll free at 1-877-917-6477.



Contacting NHRS

The toll-free line, 1-877-917-6477, connects you to NHRS' automated phone system – the same one you access when you call the regular phone number, 603-271-3351. All calls are initially answered by the “automated attendant.” The “automated attendant” recites a recorded menu of options to connect you to various NHRS departments and services. At any time during the recording you can press “0” and the NHRS receptionist will personally answer your call and connect you to the appropriate extension. Occasionally, with heavy call volume, the receptionist may not be able to immediately respond to multiple calls. At such times, you may reach a general message center where you can leave your name and number for a representative to call you back.

If you know the extension number of the NHRS representative you wish to reach, you may dial it at any time after the “automated attendant” answers. As a retiree, your phone calls are typically handled by the NHRS Annuity and Insurance Divisions. You may wish to keep the following numbers as a reference should you need to reach an annuity representative:

Dial the main number: 603-271-3351 or toll-free 1-877-917-6477. When the recorded “automated attendant” answers, you may press:

- ◆ 239 for electronic direct deposit of your pension
- ◆ 242 or 243 for health insurance inquiries from members who retired from a municipality or school district
- ◆ 277 for health insurance inquiries from members who retired from State Government employment
- ◆ 239 to report the death of a retiree or beneficiary
- ◆ 244 for other retiree inquiries, *or*
- ◆ “0” and the receptionist will direct your call

Retiree Information and Forms On-Line

For retirees who like to surf the net, forms and information may be obtained from the NHRS Retiree web page at:

www.nh.gov/retirement/retirees



DIRECT DEPOSIT

A CONVENIENT WAY TO RECEIVE YOUR PENSION

Are you tired of long lines at the bank? Going on vacation or living out-of-state for part of the year? Alleviate the hassle of getting your pension check to the bank by signing up for Direct Deposit.

**NO MORE
WAITING
IN LINE
AT THE BANK**
The Convenience
of Direct Deposit

With Direct Deposit, your annuity payment is deposited directly into your bank account so you can access your money wherever you are.

Here's how it works:

If you decide to use direct deposit, you will still receive a monthly statement letting you know the amount of the deposit, but your monthly pension payment will be deposited

directly into your bank account. The deposit will take place on the last business day of each month. Deposit dates for 2005 are as follows:

June 30, 2005	July 29, 2005	Aug. 31, 2005
Sept. 30, 2005	Oct. 31, 2005	Nov. 30, 2005
Dec. 30, 2005	Jan. 31, 2006	Feb. 28, 2006
March 31, 2006	April 28, 2006	May 31, 2006

All you have to do is fill out and sign the form below, providing NHRS with your checking or savings account information, and the rest will be done for you!

Why wait for your check to be delivered before you leave for the sunny shores of Florida or the cool climate in Canada? Why worry about your check, wondering if it is in the mailbox, on your hallway floor, or if your dog has eaten it? With direct deposit your funds will be available to you on the last business day of the month, wherever you use your ATM card!

NEW HAMPSHIRE RETIREMENT SYSTEM

4 Chenell Drive, Concord, NH 03301-8509
(603) 271-3351 or toll-free: (603) 877-917-6477

Check One





- ☐ New
☐ Change
☐ Delete

ELECTRONIC DIRECT DEPOSIT AUTHORIZATION FOR RETIREES

PLEASE PRINT

LAST NAME	<input type="text"/>	FIRST NAME	<input type="text"/>	MI	<input type="text"/>						
SOCIAL SECURITY NUMBER	<input type="text"/>	<input type="text"/>	<input type="text"/>	—	<input type="text"/>	<input type="text"/>	—	<input type="text"/>	<input type="text"/>	<input type="text"/>	<input type="text"/>

I hereby authorize the New Hampshire Retirement System (NHRS) to make net payroll deposits to my account as indicated below. NOTE: It takes 45 to 60 days from the date NHRS receives your direct deposit form, because there must be a "pre-note" test of the delivery first. This means that you will receive at least one payment by mail. Upon successful completion of the pre-note process, the following month's payment will be automatically deposited in your account.

FINANCIAL INSTITUTION (not available in foreign countries)	Check One
TRANSIT ROUTING NUMBER AND ACCOUNT NUMBER	<input type="checkbox"/> Savings
	<input type="checkbox"/> Checking
Example:    (Lower lefthand corner of check)	
Attach a voided check here - this will be used to verify your bank transit routing and account number	

YOUR SIGNATURE	DATE
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Accessing Programs for New Hampshire Seniors & Disabled Adults

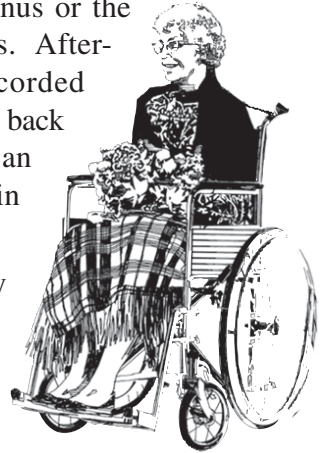
Reprinted by Permission: NH Service Link

To determine what New Hampshire programs you are eligible for, you may contact NH ServiceLink. Case technicians and social workers at these locations are experts about programs and services and other resources for seniors; they can determine eligibility and help you enroll in the programs or services that best meet your needs.

ServiceLink is a statewide network of agencies and resources exclusively directed to assist the elderly and younger disabled adults to access those services and resources. ServiceLink was created to provide improved access to resource information that helps residents to live fully, to learn more about options, and to make plans that support independence. ServiceLink locations are throughout NH and offer information and support for older adults, adults with disabilities and chronic illnesses, and family and loved ones who provide support and care to seniors or disabled adults.

When contacting the ServiceLink toll-free statewide service, it recognizes the community you are calling from and automatically routes your call to the ServiceLink in your area – without voice menus or the need to make other selections. After-hours callers may hear a recorded message giving directions to call back – or the call may be taken by an after-hours coverage provider in some locations.

All ServiceLink sites are fully accessible. TDD or NH relay services are available to assist individuals who are deaf, hard of hearing or speech impaired.



Service Link, 866-634-9412 (toll-free)

This issue of the Retirement Connection provides general information available as of July 1, 2005 for NHRS retirees. Members are encouraged to contact an NHRS representative with specific questions. In the event of any conflict between this publication and the laws, rules and regulations that govern NHRS, the laws, rules and regulations will prevail.

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